FUJITSU GENERAL FINDS QLIKVIEW REFRESHING

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– Nicholas Vasic, Financial Controller, Fujitsu General Australia

There's a growing trend among organisations where staff are requiring insight-on-demand to facilitate more informed business decisions. The need to discover new information out of a mountain of data can however, monopolise the time and effort of IT departments and in most cases results in multiple, flat, untimely and underwhelming report outputs to those that need it.

Fujitsu General (Aust.) was facing this sort of problem, using Crystal Reports, but having no real-time reporting that could be provided and analysed when needed by sales, marketing, finance and management teams to understand performance.

Fujitsu General's Epicor system was doing a great job of managing ERP related data; but Fujitsu were forced to run multiple, limited access reports, consuming over 6 hours a month, to try to glean any information from that data, that was always a month behind.

Whilst at a transactional level financial metrics had always been sound, line level profitability, cost and stock allocation were limited. In addition, management of sales and marketing initiatives with associated stock impacts was difficult due to the complexity and inter-reliance between rebates, customer orders, stock allocations, deliveries and various levels of product views needed.

Fujitsu General overcame these issues by deploying QlikView, an interactive business analysis solution whose powerful associative architecture and ease-of-use, allows Fujitsu General to quickly see and interact with their data in ways that were not previously possible.

Epicor Meet QlikView

As the saying goes, Fujitsu General is literally, 'Australia's favourite air' being the number one supplier of air conditioners in Australia, offering products to suit both domestic and commercial applications. Fujitsu General's operations are significant, worth over $200 million in revenue with 110 employees locally. The company has offices and warehouse facilities established in all major capital cities around Australia, selling and servicing over 2,500 points of presence that comprise their retailer and dealer sales channels across the country.

Fujitsu General undertook a market review of business intelligence solutions over many months to determine the best fit for their business. After a few pilot projects that didn't return any real value, Fujitsu sceptical about the value of business intelligence software, agreed to give Inside Info and QlikView a shot.

The process for evaluating QlikView was low risk and simple.   In three weeks, Inside Info had developed and deployed a QlikView application that analysed performance across sales, rebates and inventory using QlikView, integrating seamlessly with their Epicor ERP system. Soon after, Fujitsu General were building their own QlikView applications internally, with only a few days of QlikView developer training.   Having seen the success of QlikView in Australia, Fujitsu General in New Zealand has now rolled out QlikView to their sales and management teams as well.

Solution Overview

Fujitsu General Australia

Part of the Fujitsu General Group worldwide, a leading supplier of air conditioners in Australia.

Industry: Distribution – Air Conditioning

Function: Management, finance, sales, marketing & administration

Geography: Australia & New Zealand

Challenges:

• Provide rich insight into all factors that impact sales performance, stock & profitability.

• Multiple paper-based reports for individual users that duplicated effort, was a month behind & allowed no data manipulation, consumed over 6 hours a month for IT staff.

Solution:

Fujitsu General deployed QlikView to over 80 employees initially across Australia & New Zealand, now with more than 100. QlikView provides detailed self-serve visibility into customer contribution detailing sales, product, supply chain, promotional and debtor impacts. QlikView was designed & delivering value within 3 weeks.

Benefits:

• More accurate, transparent & consolidated sales, revenue & profitability data aligned to key business measures.

• 15% improved return on rebate investment

• More effective margin analysis with 10% improvement in cost allocations to sales & product lines.

• Improved inventory management by 12%

• Improved IT staff productivity by 15%

Data Source Systems Database:

Epicor ERP

Qlik Elite Partner:
Inside Info
T: 1300 768 110
www.insideinfo.com.au

Improved Financials

15%
Improved Rebate Return

10%
Improved Cost Allocations

Improved Business Efficiency

12%
Lift In Inventory Management By Understanding Unallocated Stock

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Improved IT Efficiency

15%
Improvement In IT Productivity By Not Manually Producing Reports

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Time To Value

3 Weeks

QlikView has become a natural part of the business, now used by over 100 employees across sales, marketing, operations and management teams. Staff now have relevant and timely information in a self-serve format, with the ability to drill down easily into specific detail as required. QlikView's fast development cycle, ease of use and multi-dimensional analysis makes it easy for Fujitsu employees to find and get the answers they are after. These were all deciding factors for QlikView being chosen over other business intelligence and reporting solutions.

Goodbye Reports, Hello Savings

"Our Managing Director uses QlikView every day to review performance. Our credit managers love how they can allocate warranty cost more accurately to product – our 3rd largest cost. Finance like the P&L gross margin snapshot, particularly looking at rebates, exports and domestic sales. Marketing measure promotional effectiveness, our State Managers, administrators and sales teams use QlikView to check in on order deliveries daily and tracking to targets for the month. I love that QlikView lets everything and everyone work in unison," said Nick Vasic, Financial Controller, Fujitsu General Australia.

Improved Cost Allocations

QlikView analyses over 1,000,000 order transaction lines, categorising Fujitsu General's 60,000 inventory items into any level of either; category, product type, model and component parts, to understand business impact. Epicor picks up the kit of available items that form part of an order, QlikView separates out each of these items and assigns individual costs. As a result, QlikView has delivered a 10% improvement in cost allocation to product items and therefore more accurately measuring margin and resulting product and customer health, more effectively.

Supply & Demand In Sync

QlikView helps Fujitsu General manage more effectively the complex interrelationship of products, marketing promotions, rebates and inventory for suppliers and resellers doing business, as part of its network. For example, QlikView is used to verify invoicing and stock in transit with resellers. Allowing analysis of individual store and group level performance of retail outlets for each individual customer by analysing ship to numbers rather than billing addresses.

QlikView also keeps a handle on promotional rebates paid to channel, which form a significant portion of the marketing budget. With QlikView, finance, sales and marketing can see what stock levels retailers have committed to, if it's driven by a specific promotion and the cash-back rebates or discounts they're receiving, lining up with fulfillment of these to targets. QlikView is then used to check stock availability for commitments to ensure demand and supply match. In addition, QlikView has delivered a 15% improved return on rebate investment by better aligning customer contribution with rebates payable and resources spent.

"Inside Info with QlikView opened our eyes. We realised that some customers had an uneven share of rebates paid compared to what they were in fact delivering to the bottom line. As a result, we changed our commission structures so they now better allocate rebates and sales resources based on actual return to the business instead of volume. QlikView gave us a 15% improved return on rebate investment, while also helping us to better manage promotions, stock, customers and resources to fuel future growth of the business, " said Nick Vasic, Fujitsu's Financial Controller.

A typical sale for Fujitsu General would have equipment specked out and may result in multiple deliveries over a number of months. Managing stock allocations in this environment is difficult. QlikView has improved inventory management by 12%, helping administrators pre-empt orders, delivery plans and inventory glitches by understanding unallocated stock.

Based on this knowledge a Bill Plan is then created in Epicor, so orders can be filled by the right delivery deadline. Within a couple of click's any performance failures can by pinpointed by customer, by product, by line item, by location and by order for open and closed sales. This is critical when Fujitsu has a 4 months stock replenishment lead time and stock is moving quickly over summer months.

In addition, through QlikView Fujitsu General can immediately see at a total and transactional level, the cost of stock held by customer and their product lines. This can be used to understand the highest value older stock on hand that should be the focus of a run out promotion.

Ease Of Use Means Everyone Benefits

One of QlikView's strengths is its ease-of-use. QlikView works like your mind works, allowing you to jump from one data insight to another with just a click. Selections made in columns or on graphs bring immediate changes to the QlikView dashboard. Associated values float to the top of their display boxes, and graphs and tables instantly update.

QlikView has provided Fujitsu General with access to their data, real and immediate ROI, and a software solution that has been embraced across many areas of the business. Business users are now the custodians of accurate information, with QlikView providing self-serve insight on demand delivered to the desktops of those that need it, updated every few hours.

Data transparency ensures that inaccuracies with transactions are rectified and that duplication of effort is minimised in not having to author and produce multiple standard reports.

This all comes together and helps deliver tangible competitive advantages for Fujitsu General –short term as well as for a long time to come.

"Like many businesses we were making critical decisions about profit, revenue and customers based on reading a one dimensional story, that flat, standard reporting can provide. More often than not this was out of date the minute it hit the desk. The flexibility and interactive analysis of information that QlikView provides is amazing. If you want information spontaneously, quickly, it will be there. Plus it's so easy to use, if you can access a web page then you can use QlikView." Nick Vasic, Financial Controller, Fujitsu General Australia.

"QlikView is the best management tool I've ever used."

Kim Naylor, CEO
Fujitsu General New Zealand.